

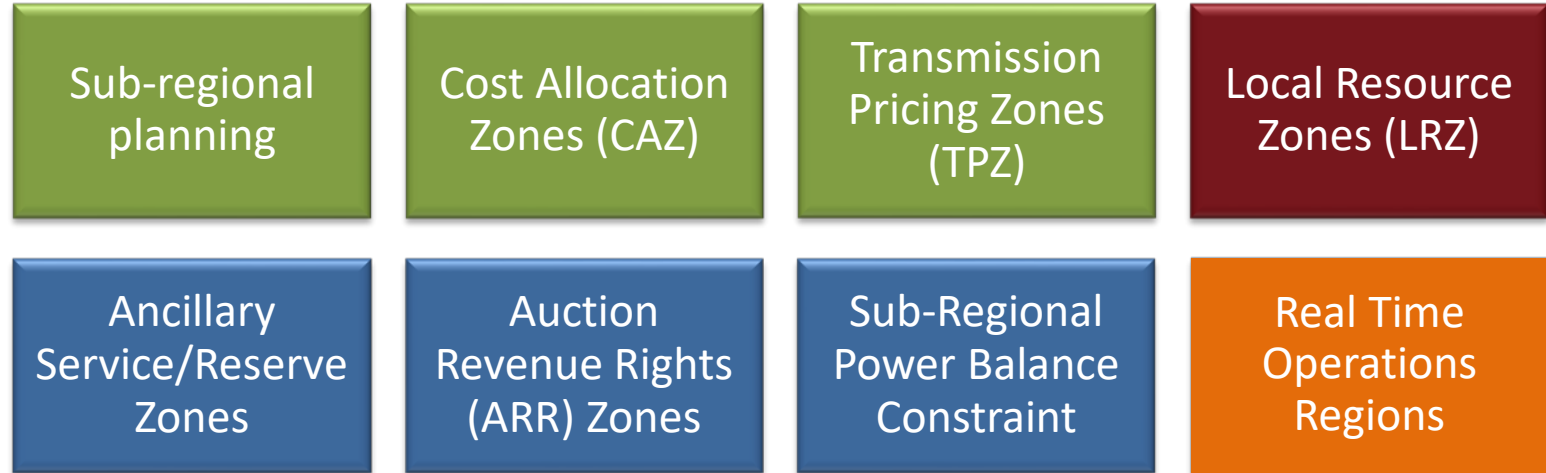


Use of “Zones” and “Regions” at MISO

OMS CAPCom
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MISO Uses a Variety of Zones for Different Purposes



Planning



Resource Adequacy



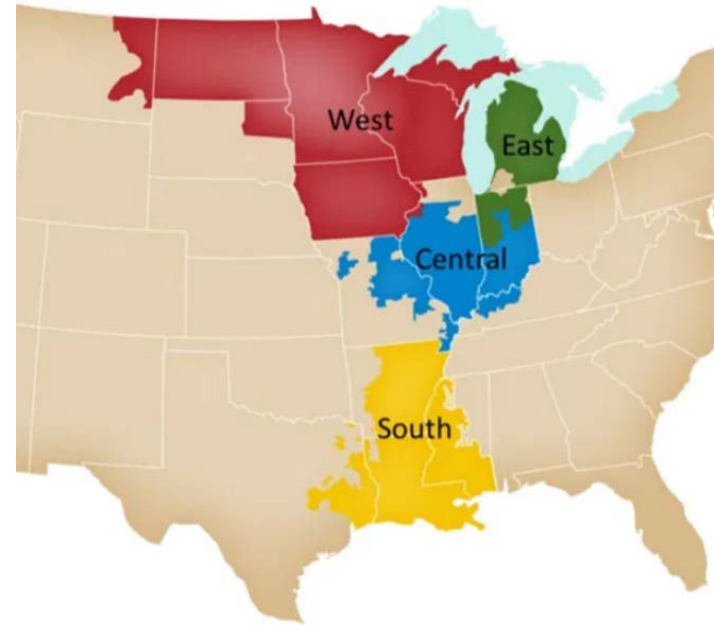
Energy/Ancillary Markets



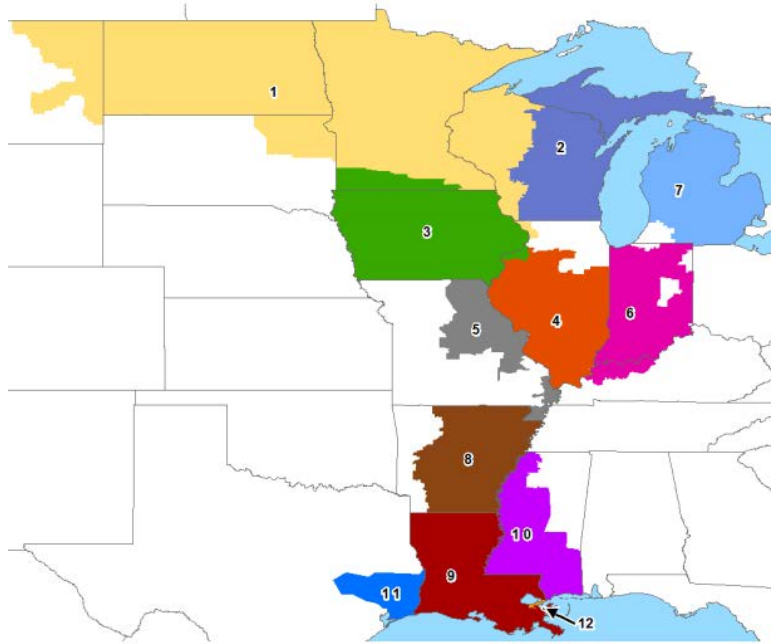
Real Time Operations

Sub-regional Planning

- These zones are used in the MTEP process to review transmission solutions on a more local basis
- Solutions submitted, reviewed, and analyzed by stakeholders

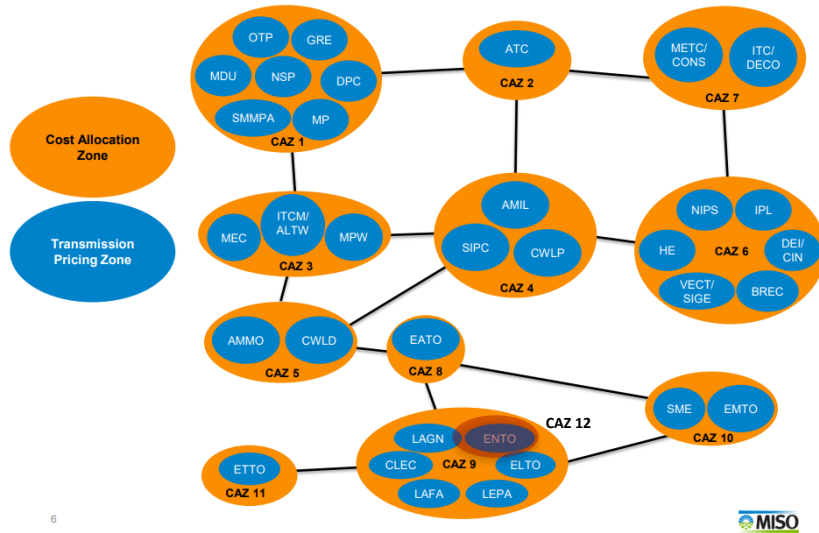


Cost Allocation Zones (CAZ)



- Used to allocate costs of transmission under the Tariff
 - e.g. Adjusted Production Cost benefits

Transmission Pricing Zones



- Used for MEPs
 - Avoided reliability project metric
 - APC metric further allocated to TPZs once total CAZ benefit is determined
 - Settlement savings metric
- Used for local/bottom-up projects as “situs zone”
 - Other projects, BRPs, etc.

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Local Resource Zones



- Used for Planning Resource Auction (PRA)
 - Planning Reserve Margin Requirement (PRM) allocated to each zone
 - Local requirement for each zone
- Boundaries set by analyzing state boundaries, electrical connections, relative size, and previous LOLE studies

Reserve Zones



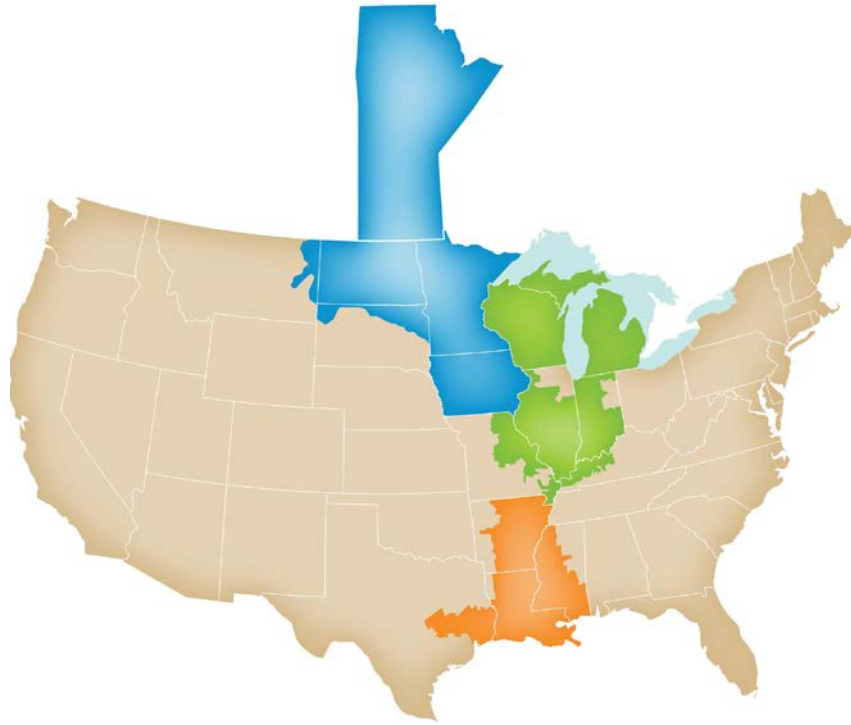
- Zones set based on MISO analysis of transmission system to ensure enough reserves procured in various regions
- Recent changes reflect ability to procure reserve across N-S interface

Sub-regional Power Balance Constraint (N-S)



- Midwest & South sub-regions are used for purposes of allocating SPP Settlement costs
- Within the sub-regions costs are allocated to each LRZ based on identified benefits

Real Time Operations Reliability Regions



- Regions utilized to split up Reliability Coordination responsibilities among regional operators
- North Region operated out of Eagan, MN
- Central Region operated out of Carmel, IN
- South Region operated out of Little Rock, AK